

UNITED STATES BANKRUPTCY COURT
District of Idaho

U.S. DISTRICT COURT
U.S. BANKRUPTCY COURT
97 JAN 13 AM 11:16
REC'D FILED
CAMERON S. BURKE,
CLERK, IDAHO
CASE NO. 96-03050

DATE	1.13.97
CASE NAME	Sawtooth Enterprises
PRESIDING JUDGE	Alfred C. Hagan
NATURE OF PROCEEDINGS	1) Debtor's Motion for Sale Free & Clear of Liens 2) Debtor's Motion to Assume Reject Leases 3) Motion to Accept Substitute Buyers/Alternate Motion to Compensate Broker

APPEARANCES

Joe Meier - counsel for Debtor
David Wishney - counsel for Sonna Building Associates
Alan Cameron - counsel for Black Bear Inc
Arthur Berry - counsel for Arthur Berry & Co
Patrick Collins - counsel for Bank of America
Derrick O'Neill - counsel for Margaret Mead Trust
Terry Myers - counsel for Paul Reed
Tim Wells - Proposed Buyer of Property

REPORT OF PROCEEDINGS

1) Debtor's Motion for Sale Free & Clear of Liens.

Counsel for Debtor represented that objections by Austin Stewart and Sonna Building Associates have been RESOLVED.

Sale tentatively approved with matter being CONTINUED to January 17, 1997 at 9:30am to allow parties time to evaluate sale and to take up remaining unresolved issues.

Objection by Bank of America as to payment of delinquent rents to lease holders of rejected

leases is tentatively SUSTAINED subject to further discussion on January 17, 1997 at 1:30pm.

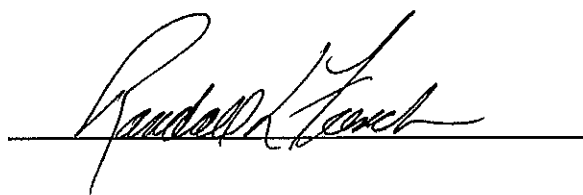
2) Debtor's Motion to Assume/Reject Leases.

Motions tentatively GRANTED.

Further issues to be taken up on January 17, 1997 at 9:30am.

3) Motion to Accept Substitute Buyers/Alternate Motion to Compensate Broker.

Both motions DENIED.

A handwritten signature in cursive script, appearing to read "Ronald K. Smith", is written over a horizontal line.